

**DEPARTMENT  
POLICY****MA ONLY**

This is an SSI-related Group 1 MA category.

MA is available to a child who requires care in the state psychiatric hospital, (Hawthorn Center) but can be cared for in the community for less cost.

The SED waiver is available in the following counties:

Aranac	Allegan	Bay
Berrien	Calhoun	Newago
Cass		Marquette
Clare	Kalamazoo	Midland
Clinton	Ingham	Muskegon
Eaton	Kent	St. Clair
Gratiot	Oceana	Roscommon
Genesee	Hillsdale	Oakland
Gladwin	Leelanau	Osceola
Grand Traverse	Livingston	Saginaw
Ingham	Macomb	Van Buren
Isabella	Mecosta	Wayne
Washtenaw	Jackson	Wexford

The child must be under age 18, unmarried, a current patient in a psychiatric hospital or at risk of such placement; must demonstrate serious functional limitations that impair ability to function in the community; and must have a Child and Adolescent Functional Assessment Scale (CAFAS) score of 90 or greater (if under age 13) or have a CAFAS score of 120 or greater (if age 13 or older), as determined by the local Community Mental Health Services Program (CMHSP)

The income and assets of the child's parents are not considered when determining the child's eligibility.

The Bureau of Behavioral Health and Developmental Disabilities (BHDDA) and local MDHHS office share responsibility for

determining eligibility for the SED Waiver. BHDDA, in cooperation with the local CMHSP, has responsibility for determining non-financial eligibility factors for the SED Waiver. Financial eligibility is determined by MDHHS.

All eligibility factors must be met in the calendar month being tested.

## NONFINANCIAL ELIGIBILITY FACTORS

### BHDDA Responsibilities

BHDDA determines that clinical eligibility exists. That is:

- The child requires a level of care provided in the state psychiatric hospital (Hawthorne Center); and
- It is appropriate to provide such care for the child in the community; and
- The average estimated cost to Medicaid of caring for the child in the community does not exceed the average estimated cost to Medicaid for the child's care in the state psychiatric hospital.

Mental Health Services to Children and Families within BHDDA is responsible for the following at application and medical review:

- Obtaining and reviewing clinical evidence of the child's serious emotional disturbance and functional limitations from the local CMHSP, and
- Certifying disability on the DHS-49-A, Medical-Social Eligibility Certification.

Medical Services Administration (MSA) certifies on the MSA-1785, Policy Decision that the requirements in BHDDA **Responsibilities** in this item are met.

If the child is not receiving MA, MSA will send the family:

- A copy of the MSA-1785, and
- A DCH- 1426, Assistance Application, with the address of the local office to mail the completed application.

**Communication to  
the Local Office**

MSA will send the MSA-1785 and the DHS-49-A to the local DHS and CMHSP offices whether or not a child is an MA recipient. MSA will send a letter of termination when a child is no longer eligible for this category. Pursue eligibility for other MA categories when a child is no longer eligible for the waiver.

**Local Office  
Responsibilities**

**Do not authorize MA under this category without a MSA-1785 and DHS-49-A authorizing MA in this category. Use this category when the child is not an SSI or FIP recipient. Use this category before using a Group 2 category.**

Treat the receipt of the MSA-1785 as a request for assistance if it is received for a child who is not an MA applicant or recipient.

Determine if the child meets the MA eligibility factors in the following items:

- BEM 220, Residence.
- BEM 223, Social Security Numbers.
- BEM 225, Citizenship/Alien Status.
- BEM 257, Third Party Resource Liability.
- BEM 260, MA Disability/Blindness.
- BEM 270, Pursuit of Benefits.

**Note:** BHDDA is responsible for obtaining clinical evidence and for certifying disability on the DHS-49-A; **see BHDDA Responsibilities in this item.**

**Note:** An ex parte review (see glossary) is required before Medicaid closures when there is an actual or anticipated change, unless the change would result in closure due to ineligibility for all Medicaid. When possible, an ex parte review should begin at least 90 days before the anticipated change is expected to result in case closure. The review includes consideration of all MA categories; see BAM 115 and 220.

**INQUIRIES**

Inquiries from medical providers or parents concerning clinical eligibility under this category should be directed to the local CMHSP.

**FINANCIAL  
ELIGIBILITY  
FACTORS**

Financial eligibility is determined by the local office. **Count only the child's own income and assets.** Do not deem income and assets from the child's parents to the child.

**Groups**

The child is a fiscal and asset group of one.

**Assets**

The child's countable assets cannot exceed the asset limit in BEM 400. Countable assets are determined based on MA policies in BEM 400 and 401.

**Divestment**

Do not apply policy in BEM 405.

**Income Eligibility**

Income eligibility exists when the child's gross income is equal to or less than 300 percent of the federal SSI benefit rate, see RFT 248.

Gross income is the amount determined after applying MA policies in BEM 500 and 530. Do not apply the deductions in BEM 540 and 541.

**VERIFICATION  
REQUIREMENTS**

Verification requirements for all eligibility factors are in the appropriate manual items.

**LEGAL BASE****MA**

Social Security Act, Section 1915 (c)